

## **PROCEEDINGS OF THE BOARD OF ESTIMATE & TAXATION**

The regular meeting of October 9, 2013 held in room 317 of City Hall.

Meeting called to order by Vice President Wheeler at 4:07 p.m.

Present were: Fine (Robert Fine, Representative of the Park and Recreation Board), Hodges (Betsy Hodges, Chair of the Ways & Means/Budget Committee of the City Council). Johnson (Barbara Johnson, President of the City Council, Rybak (R T Rybak, Mayor of Minneapolis), Becker (Carol J. Becker, Elected Member), Wheeler (David Wheeler, Elected Member).

Absent: None.

The secretary reviewed the requested to issue General Obligation Improvement Bonds and the supporting actions for each project:

- A. City Council request to issue resolutions,
- B. Public Hearing date,
- C. Revised assessment amount,
- D. Assessment duration.

After discussion on the above Fine moved the resolution (below), seconded by Hodges. Following questions and discussion the motion was adopted. Yeas – 6. Nays – none. As follows; Yeas – Fine, Hodges, Johnson, Rybak, Wheeler, Becker - 6. Nays – none.

### **RESOLUTION**

(Relating to and providing for the issuance and sale of general obligation bonds of the City of Minneapolis in an estimated amount of \$13,035,000.

### **RESOLVED BY THE BOARD OF ESTIMATE AND TAXATION OF THE CITY OF MINNEAPOLIS**

1. Pursuant to authorization by the City Council of the City of Minneapolis (the “City”), and under and pursuant to the provisions of Sections 9 and 10 of Chapter 15 [Board of Estimate and Taxation] of the Charter of the City, adopted at an election held on November 2, 1920, as amended (the “Charter”), the Board of Estimate and Taxation of the City (the “Board”) shall proceed forthwith to solicit bids and award the sale of General Obligation Improvement Bonds, Series 2013 (the “Bonds”), in an original aggregate principal amount not to exceed \$13,035,000, the proceeds thereof to be applied to the following purposes and in the following respective amounts:

(a) \$97,741.75 pursuant to Resolution of the City Council No. 2013R-262 (June 14, 2013) for the 3022 Hennepin Ave. S. Areaway Abandonment and Removal;

(b) \$91,843.69 pursuant to Resolution of the City Council No. 2013R-223 (May 24, 2013) for the 14<sup>th</sup> Ave. SE. Sanitary Sewer Project No. 4518;

(c) \$81,872.47 pursuant to Resolution of the City Council No. 2013R-363 (August 16, 2013) for the 2013 Alley Resurfacing Program, Special Improvement of Existing Alleys No. AL013;

(d) \$48,999.99 for street lighting pursuant to Resolution of the City Council No. 2013R-294 (June 28, 2013) for the 31<sup>st</sup> St. E. (Minnehaha Ave. S. to 28<sup>th</sup> Ave. S.) Street Lighting Project No. 9920L;

(e) \$4,683,068.23 for street reconstruction pursuant to Resolutions of the City Council, including: (i) Resolution of the City Council No. 2012R-042 January 27, 2012) for \$1,695,434.21 for the Nicollet Ave. (Lake St. to 40<sup>th</sup> St.) Street Reconstruction Project, Special Improvement of Existing Street No. 6713; (ii) Resolution of the City Council No. 2013R-058 (February 8, 2013) for \$1,775,857.71 for Winter St. NE. Street Reconstruction Project, Special Improvement of Existing Street No. 2226; (iii) Resolution of the City Council No. 2013R-054 (February 8, 2013) for \$913,068.16 for the Penn Ave Phase I Street Reconstruction Project, Special Improvement of Existing Street No. 6748; (iv) Resolution of the City Council No. 2013R-297 (June 28, 2013) for \$160,447.60 for the 46<sup>th</sup> St. W. Street Reconstruction Project, Special Improvement of Existing Street No. 6751; and (v) Resolution of the City Council No. 2013R-293 (June 28, 2013) for \$138,260.55 for the 31<sup>st</sup> St. E. (Minnehaha Ave. S. to 28<sup>th</sup> Ave. S.) Street Reconstruction Project, Special Improvement of Existing Street No. 9920;

(f) \$7,527,374.19 for street resurfacing pursuant to Resolutions of the City Council, including: (i) Resolution of the City Council No. 2013R-100 March 7, 2013) for \$189,295.15 for street improvements in the 31<sup>st</sup> St W. Street Resurfacing Project, Special Improvement of Existing Street No. 5247; (ii) Resolution of the City Council No. 2013R-100 (March 7, 2013) for \$80,305.74 for street improvements in the 35<sup>th</sup> St. E. Street Resurfacing Project, Special Improvement of Existing Street No. 5244; (iii) Resolution of the City Council No. 2013R-100 (March 7, 2013) for \$108,656.94 for the 38<sup>th</sup> St.. W. Street Resurfacing Project, Special Improvement of Existing Street No. 5245; (iv) Resolution of the City Council No. 2013R-120 March 29, 2013) for \$107,599.30 for the 54<sup>th</sup> St. E. Street Resurfacing Project, Special Improvement of Existing Street No. 5249; (v) Resolution of the City Council No. 2013R-122 (March 29, 2013) for \$170,986.67 for the Oak Lake Ave. N. and 10<sup>th</sup> Ave. N. Street Resurfacing

Project, Special Improvement of Existing Street No. 5246; (vi) Resolution of the City Council No. 2013R-221 May24, 2013) for \$239,257.58 for the Lyndale Ave., S. and 58<sup>th</sup> St. W. Street Resurfacing Project, Special Improvement of Existing Street No. 5253; (vii) Resolution of the City Council No. 2013R-225 (May 24, 2013) for \$291,143.91 for the 28<sup>th</sup> Ave. S. Phase II Street Resurfacing Project, Special Improvement of Existing Street No. 5242; (viii) Resolution of the City Council No. 2013R-254 (June 14, 2013) for \$57,918.04 for the Stevens Ave. S. Street Resurfacing Project, Special Improvement of Existing Street No. 5255; (ix) Resolution of the City Council No. 2013R-256 (June 14, 2013) for \$165,163.35 for the 11<sup>th</sup> St. S., Grant St. EW., 14<sup>th</sup> St. E., and 5<sup>th</sup> Ave. S. Street Resurfacing Project, Special Improvement of Existing Street No. 5254; (x) Resolution of the City Council No. 2013R-347 (August 2, 2013) for \$193,655.30 for the 50<sup>th</sup> St. W. Street Resurfacing Project, Special Improvement of Existing Street No. 5251; (xi) Resolution of the City Council No. 2012R-095 (February 24, 2012) for \$2,421,910.63 for the Linden Hills Street Resurfacing Project, Special Improvement of Existing Street No. 5226; (xii) Resolution of the City Council No. 2012R-097 February 24, 2012) for \$60,341.88 for the 39<sup>th</sup> St. W. Street Resurfacing Project, Special Improvement of Existing Street No. 5227; (xiii) Resolution of the City Council No. 2013R-120 (March 29, 2013) for \$624,285.33 for the Page Area Street Resurfacing Project, Special Improvement of Existing Street No. 5249; (xiv) Resolution of the City Council No. 2013R-152 (April 12, 2013) for \$1,361,960.58 for the Cooper Area. Street Resurfacing Project, Special Improvement of Existing Street No. 5250; (xv) Resolution of the City Council No. 2013R-152 (April 12, 2013) for \$91,033.78 for the 42<sup>nd</sup> Ave. S. Street Resurfacing Project, Special Improvement of Existing Street No. 5250;and (xvi) Resolution of the City Council No. 2013R-152 (April 12, 2013) for \$164,494.07 for the 46<sup>th</sup> Ave. S. Street Resurfacing Project, Special Improvement of Existing Street No. 5250 and (xvii) Resolution of the City Council No. 2013R-227 May24, 2013) for \$1,099,266.86 for the Dorman North Area, 25<sup>th</sup> St. E. & 31<sup>st</sup> Ave. S. Street Resurfacing Project, Special Improvement of Existing Street No. 5252;and and (xviii) Resolution of the City Council No. 2013R-260 (June 14, 2013) for \$100,099.08 for the Tyler St. NE. Street Resurfacing Project, Special Improvement of Existing Street No. 5256; and

(g) \$500,000.00 for call for early redemption of the General Obligation Improvement Bonds, Series 2005 dated November 30, 2005; and

(h) \$4,099.68 as a rounding amount to be deposited in the debt service account to be established with respect to the Bonds (or, at the option of the Board, to be applied to costs of issuance or other costs related to the Bonds).

2. The Bonds shall be dated the date of issuance (expected to be November 26, 2013), and interest shall be paid semiannually on June 1 and December 1 of each year, commencing June 1, 2014. The Bonds shall mature on December 1 in the years and amounts as follows:

Maturity	Principal Amount	Maturity	Principal Amount
2014	\$ 2,080,000	2024	\$ 245,000
2015	1,980,000	2025	245,000
2016	1,730,000	2026	245,000
2017	1,730,000	2027	245,000
2018	1,730,000	2028	245,000
2019	300,000	2029	245,000
2020	300,000	2030	245,000
2021	245,000	2031	245,000
2022	245,000	2032	245,000
2023	245,000	2033	245,000

Competitive proposals for the Bonds may contain maturity schedules providing for any combination of serial or term Bonds, as long as Bonds within a single mandatory redemption are not split among term dates and as long as the principal amounts maturing or subject to mandatory sinking fund redemption conform to the maturity schedule set forth above.

3. Bonds maturing on or after December 1, 2021, will be subject to redemption at the option of the City on any date on or after December 1, 2020, at a price of par plus accrued interest to the date of redemption.

4. The Bonds shall be issued as fixed rate obligations. Competitive proposals for the sale of the Bonds will be considered by the Executive Secretary to the Board (the "Executive Secretary") on behalf of the Board on Tuesday, November 1, 2013, at 11:00 a.m. pursuant to the terms set forth in an award resolution adopted by the Board on Wednesday, October 9, 2013. The terms of the sale shall be as set forth in the Official Terms of Proposal on file with the Executive Secretary. The Executive Secretary shall prepare and distribute an Official Statement and take such other action as may be necessary and appropriate to conduct the sale.

5. Prior to the sale of the Bonds, if adjustments are necessary to the terms of the Bonds or the amount of proceeds of the Bonds to be applied to each project described above in order to permit the sale of the Bonds at the lowest possible interest rate, the Board hereby authorizes the Executive Secretary to make such adjustments. Such changes shall be provided to the Board in writing at its next meeting.

Adopted: October 9, 2013.

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Carol Becker  
President  
Board of Estimate and Taxation

Attest:

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Jack A. Qvale  
Executive Secretary

After discussion Fine moved the resolution ( below ) , seconded by Hodges. Following questions and discussion the motion was adopted. Yeas – 6. Nays – none. As follows; Yeas – Fine, Hodges, Johnson, Rybak, Wheeler, Becker - 6. Nays – none.

**AUTHORIZING THE SALE AND ISSUANCE OF GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2013, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$13,035,000; AND PROVIDING THE FORMS, TERMS, AND FINDINGS, COVENANTS, AND DIRECTIONS RELATING TO THE ISSUANCE OF SUCH OBLIGATIONS**

BE IT RESOLVED By the Board of Estimate and Taxation (the “Board”) of the City of Minneapolis, Minnesota (the “City”) as follows:

Section 1. Background and Authority.

1.01. Previous Board Action. Pursuant to a resolution adopted by the Board on October 9, 2013, the Board determined to solicit proposals for the purchase of the general obligation improvement bonds (the “Bonds”) of the City, in the original aggregate principal amount of \$13,035,000, in accordance with the Official Terms of Proposal on file with the Executive Secretary of the Board and incorporated into an Official Statement to be prepared and distributed with respect to the Bonds. The proceeds of the Bonds will be used to finance street improvements in the City (the “Improvements”).

1.02. Authority. The City is authorized to issue the Bonds pursuant to the terms of the Minnesota Statutes, Chapter 475, as amended (the “Municipal Debt Act”), Minnesota Statutes, Chapter 429, as amended, and the City Charter.

Section 2. Issuance of Bonds. In order to finance the Improvements, there is hereby authorized to be issued by the City the Bonds, to be designated the “General Obligation Improvement Bonds, Series 2013.” The maximum aggregate principal amount of the Bonds that may be outstanding at any time is limited to \$13,035,000.

### Section 3. Terms and Forms of Bonds.

3.01. Bond Terms. The Bonds are authorized to be issued in accordance with the terms of this Resolution. The Bonds shall be issued in one or more series as the Executive Secretary may determine, and shall be assigned a separate series designation determined by the Executive Secretary for each series issued by the City. Any series of Bonds may be designated such other name or names as determined to be appropriate by the Executive Secretary. The Bonds shall be dated on or after December 3, 2013, or such other date as the Executive Secretary may determine, shall be issued in denominations of \$5,000 or any integral multiple thereof, and each series shall be numbered from R-1 upwards in order of issuance, or with such other numbering and in such other order as the Bond Registrar (as hereinafter defined) may determine. The Bonds shall be issued in the original aggregate principal amount of \$13,035,000, or such lesser amount as the Executive Secretary shall determine to be necessary to finance the Improvements. The Bonds shall bear interest at the rates per annum approved by the Executive Secretary in connection with the sale thereof, payable semiannually on June 1 and December 1 of each year, or such other dates determined by the Executive Secretary, commencing on June 1, 2014, or such other date determined by the Executive Secretary, from the date of the Bonds or the most recent interest payment date to which interest has been paid or duly provided for, computed on the basis of a 360-day year of twelve thirty-day months. The principal of the Bonds shall mature on such dates and in such principal amounts as shall be determined by the Executive Secretary, consistent with the requirements of Section 475.54, subdivisions 1 and 17, of the Municipal Debt Act (determined, if necessary, by combining such maturities with those of other obligations of the City). The Executive Secretary may determine to designate any portion of the principal of the Bonds to be combined into one or more term Bonds subject to mandatory sinking fund redemptions in the years and amounts determined by the Executive Secretary. The authorization to issue the Bonds is effective without any additional action by the City Council or the Board and shall be undertaken by the Executive Secretary on such date or dates and upon the terms and conditions deemed reasonable by the Executive Secretary.

The Executive Secretary shall establish a date on and after which all Bonds shall be subject to redemption and prior payment in whole or in part at the option of the City. The redemption price of the Bonds shall be at such redemption prices, with or without premium, as the Executive Secretary shall determine necessary to obtain the lowest interest rates for the Bonds consistent with the finance plan pursuant to which the Bonds are to be issued.

Thirty (30) days prior to any redemption date, notice of any such redemption shall be given by mail to the banks where the Bonds are payable and to the registered owners, in accordance with the terms of the Municipal Debt Act. In the event of a partial redemption by lot of the Bonds, the Bond Registrar (as hereinafter defined) shall assign to each Bond then outstanding a distinctive number for each \$5,000 of the principal amount of such Bonds and shall select by lot in the manner it determines the order of numbers, at \$5,000 for each number, for all outstanding Bonds of the maturity to be redeemed. The order of selection of Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. Upon partial redemption of

any Bond, the same shall be surrendered in exchange for one or more new Bonds in authorized form for the unredeemed portion of principal. The method of selecting Bonds for optional redemption may be altered in such manner as the Executive Secretary shall determine to be necessary and appropriate in the interests of the City and the owners of the Bonds.

3.02. Method of Payment; Bond Registrar and Paying Agent. The Bonds shall be payable as to principal upon presentation and surrender thereof at the office of the Finance Officer, in Minneapolis, Minnesota, as the initial bond registrar (the "Bond Registrar") and paying agent (the "Paying Agent"), or at the offices of such other successor agents as the City may hereafter designate upon sixty (60) days mailed notice to the registered owners at their respective registered addresses. At the written request of the registered owner thereof, or at the direction of the Finance Officer, the payment of at least \$100,000 in principal amount of Bonds shall be made by wire transfer of immediately available funds to any bank in the continental United States upon presentation and surrender of such Bonds at the office of the Paying Agent. Interest shall be paid by check or draft mailed to the registered owners of record as of the fifteenth day (whether or not a business day) of the month next preceding the applicable interest payment date at their addresses shown on the registration books or, at the written request of a registered owner of at least \$1,000,000 in aggregate principal amount of Bonds or at the direction of the Finance Officer, by wire transfer of immediately available funds to any bank in the continental United States as the registered owner may specify.

3.03. Bond Form. The Bonds shall be prepared in substantially the form set forth in EXHIBIT A attached hereto, with the necessary variations as to name, series designation, number, CUSIP Number, denomination, rate of interest, and date of maturity, the blanks therein to be properly filled in, and with such other additions, deletions, or other changes as the Executive Secretary may determine.

3.04. Registration. As long as any of the Bonds issued hereunder shall remain outstanding, the City shall maintain and keep at the office of the Bond Registrar records as to the payment of the principal of and interest on such Bonds, as in this Resolution provided, and for the registration and transfer of such Bonds, and shall also keep at said office of the Bond Registrar books for such registration and transfer. Upon surrender for transfer of any Bond at the office of a Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the registered owner's duly authorized attorney, and upon payment of any tax, fee, or other governmental charge required to be paid with respect to such transfer, the City shall execute and the Bond Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more fully registered Bonds of the same series, of any authorized denominations and of a like aggregate principal amount, interest rate, and maturity. Any Bonds, upon surrender thereof at the office of the Bond Registrar may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate of any authorized denominations. In all cases in which the privilege of exchanging Bonds or transferring fully registered Bonds is exercised, the City shall execute and the Bond Registrar shall deliver Bonds in accordance with the provisions of this Resolution. For every such exchange or transfer of Bonds, whether temporary or definitive, the City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee, or other governmental charge required to be paid with

respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Resolution, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the City or the Bond Registrar incurred in connection therewith (except any applicable tax, fee, or other governmental charge) shall be paid by the City. The City and the Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption, nor be obligated to make any such exchange or transfer of Bonds during the fifteen (15) days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of Bonds.

3.05. Record Dates. Interest on any Bond which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the person in whose name that Bond (or one or more Bonds for which such bond was exchanged) is registered at the close of business on the fifteenth day of the preceding month. Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any interest payment date shall cease to be payable to the registered holder on the relevant regular record date solely by virtue of such holder having been such holder; and such defaulted interest may be paid by the City in any lawful manner if, after notice given by the City to the Bond Registrar of the proposed payment pursuant to this paragraph, such payment shall be deemed practicable by the Bond Registrar. Such payments shall then be made to the persons in whose names the Bonds are registered at the close of business on a special record date established by the Bond Registrar. Subject to the foregoing provisions of this paragraph, each Bond delivered under this Resolution upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

3.06. Bonds Mutilated, Destroyed, Stolen, or Lost. In case any Bond shall become mutilated or be destroyed, stolen, or lost, the City shall execute and the Bond Registrar shall authenticate and deliver a new Bond of like maturity and principal amount as the Bond so mutilated, destroyed, stolen, or lost in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen, or lost upon filing with the City evidence satisfactory to the City and the Bond Registrar that such Bond has been destroyed, stolen, or lost and proof of ownership thereof, and upon furnishing the City and the Bond Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the City and the Bond Registrar may prescribe and paying such expenses as the City and the Bond Registrar may incur in connection therewith. All Bonds so surrendered to the Bond Registrar shall be cancelled by it and, in the event the Bond Registrar is not the Finance Officer, evidence of such cancellation shall be given to the City.

3.07. Owners. As to any Bond, the City and the Bond Registrar and their respective successors, each in its discretion, may deem and treat the person in whose name such Bond for the time being shall be registered as the absolute owner thereof for all purposes and neither the City nor the Bond Registrar nor their respective successors shall be affected by any notice to the



contrary. Payment of or on account of the principal of any such Bond shall be made only to or upon the order of the registered owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

3.08. Use of Securities Depository; Book-Entry Only System. The provisions of this Section 3.08 shall take precedence over the provisions of Sections 3.01 through 3.07 hereof to the extent they are inconsistent with this Section 3.08.

**(a) The Depository Trust Company (“DTC”) has agreed to act as securities depository for the Bonds, and to provide a Book-Entry Only System for registering the ownership interests of the financial institutions for which it holds the Bonds (the “DTC Participants”), and for distributing to such DTC Participants such amount of the principal and interest payments on the Bonds as they are entitled to receive for redistribution to the beneficial owners of the Bonds as reflected in their records (the “Beneficial Owners”).**

(b) Initially, and so long as DTC or another qualified entity continues to act as securities depository, the Bonds shall be issued in typewritten form, one for each maturity in a principal amount equal to the aggregate principal amount of each maturity, shall be registered in the name of the securities depository or its nominee, and shall be subject to the provisions of this Section. While DTC is acting as the securities depository, the Bonds shall be registered in the name of DTC’s nominee, CEDE & CO; provided that upon delivery by DTC to the City and the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words “CEDE & CO.” in this Resolution shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of DTC or its nominee, the City and the Bond Registrar shall have no responsibility or obligation to any DTC Participant or other person with respect to the following: (i) the accuracy of the records of any securities depository or its nominee with respect to any ownership interest in the Bonds; (ii) the delivery to any DTC Participant or other person or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption; or (iii) the payment to any DTC Participant or any other person, other than DTC, of any amount with respect to the principal of or interest on the Bonds. The Paying Agent shall pay all principal of and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to the principal and interest on the Bonds to the extent of the sum or sums so paid. So long as the Book-Entry Only System described in this Section is in effect, no person other than DTC shall receive an authenticated Bond.

(c) Upon receipt by the City of written notice from DTC or any other securities depository to the effect that it is unable or unwilling to discharge its responsibilities under the Book-Entry Only System, the City and the Bond Registrar shall issue, transfer, and exchange Bonds of the initial series as requested by the securities depository in appropriate amounts, and whenever the securities depository requests the City and the Bond Registrar to do so, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice: (i) to arrange for a substitute depository willing and able, upon reasonable and customary terms, to maintain custody of the Bonds; or (ii) to make available

Bonds registered in whatever name or names the Beneficial Owner registering ownership, transferring, or exchanging such Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(d) In the event the City determines that it is in the best interests of the Beneficial Owners that they be able to obtain printed Bonds, the City may so notify the securities depository and the Bond Registrar, whereupon the securities depository shall notify the Beneficial Owners of the availability through the securities depository of such printed Bonds. In such event, the City shall cause to be prepared and the Bond Registrar shall issue, transfer, and exchange printed Bonds, fully executed and authenticated, as requested by the securities depository in appropriate amounts and, whenever the securities depository requests, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice to make available printed Bonds registered on the Bond Register in whatever name or names the Beneficial Owners entitled to receive Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(e) Notwithstanding any other provisions of this Resolution to the contrary, so long as any Bond is registered in the name of a securities depository or its nominee, all payments of principal and interest on the Bond and all notices with respect to the Bond shall be made and given, respectively, to the securities depository as provided in the representation letter given to it by the City. The Blanket Letter of Representations from the City to the Depository Trust Company is confirmed and shall apply to the Bonds.

(f) In the event that the Book-Entry Only System established pursuant to this Section 3.08 is discontinued, except as provided in clause (g), the Bonds shall be issued through the securities depository to the Beneficial Owners.

(g) In the event of termination of the Book-Entry Only System, the City shall have the right to terminate, and shall take all steps necessary to terminate, all arrangements with the securities depository described herein, and thereafter shall issue, register ownership of, transfer, and exchange all Bonds as provided herein. Upon receipt by the securities depository of notice from the City, the securities depository shall take all actions necessary to assist the City and the Bond Registrar in terminating all arrangements for the issuance of documents evidencing ownership interests in the Bonds through the securities depository. Nothing herein shall affect the rights of the securities depository under clause (e) above.

#### Section 4. Sale, Execution, and Delivery of Bonds and Related Documents.

4.01. Method of Sale. Authority to negotiate the sale and issuance of the Bonds is hereby delegated to the Executive Secretary, in consultation with the Finance Officer of the City, under Section 475.60, subdivision 1, of the Municipal Debt Act; provided that each series of Bonds shall be sold only at a price of not less than one hundred percent (100%) of the principal amount of such series of Bonds, and the Bonds shall bear interest at the rates specified by the successful proposal. In connection with the sale of the Bonds, by one or more certificates or other written instruments or documents, the Finance Officer may make such additional covenants or representations as he may deem necessary and expedient, including but not limited to,

approval of an Official Statement and of a Continuing Disclosure Certificate. Any original issue premium not applied to the payment of issuance costs shall be deposited in the 2013 Improvement Bonds Debt Service Account (as hereinafter defined) or applied to such other purposes as determined to be appropriate by the Finance Officer.

4.02. Execution and Delivery. The Bonds shall be executed by the manual or facsimile signatures of the Finance Officer and the President of the Board, and a facsimile of the corporate seal of the City shall be included as set forth in the form of Bond. The text of the approving legal opinion of Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as bond counsel, may be printed on or accompany the delivery of each Bond. When the Bonds have been duly executed and authenticated by the Bond Registrar in accordance with this Resolution, the Bonds shall be delivered to the purchasers in accordance with the terms of the sale upon payment of the purchase price, and the receipt of the Finance Officer to said purchasers thereof shall be a full acquittance; and said purchasers shall not be bound to see to the application of the purchase money. The Bonds shall not be valid for any purpose until authenticated by the Bond Registrar, which is hereby appointed authenticating agent in accordance with the Municipal Debt Act.

4.03. Official Statement. The Executive Secretary shall cause an Official Statement relating to the Bonds and any appropriate addendums to such Official Statement to be prepared (collectively, the "Final Official Statement"), and the use thereof by the purchasers is approved.

4.04. Certificates. If such officer finds the same to be accurate, the Finance Officer is authorized and directed to furnish to the purchasers at the closing: (i) a certificate that, to the knowledge of such officer, the Final Official Statement does not, at the date of closing, and the Official Statement did not, as of its date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (ii) such other certificates as are required as a condition of sale, including a Continuing Disclosure Certificate setting forth the continuing disclosure obligations of the City under applicable law, as approved by the Finance Officer. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Finance Officer shall also execute and deliver to the purchasers a suitable certificate as to absence of material litigation, and the Finance Officer shall also execute and deliver a certificate as to payment for and delivery of the Bonds. The Finance Officer shall also execute and deliver an arbitrage certificate meeting the requirements of the arbitrage regulations under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and shall deliver the signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the Bonds and the exemption of interest thereon from federal and State of Minnesota income taxation (subject to such exceptions as are set forth therein) under present laws and rulings.

Section 5. Application of Proceeds of Bonds. The proceeds of the Bonds are hereby appropriated as follows: (i) any accrued interest shall be deposited in the 2013 Improvement Bonds Debt Service Account (as hereinafter defined); (ii) an amount determined by the Executive Secretary to pay interest on the Bonds shall be set aside and applied to such purpose; (iii) an amount sufficient to finance the Improvements to be financed with the Bonds shall be applied to such purpose; and (iv) an amount sufficient to pay the costs of issuing the Bonds shall

be set aside and applied to such purpose. Any remaining proceeds of the Bonds shall be applied to purposes of the City as determined and designated by the Finance Officer.

Section 6.     Payment; Security; Pledges and Covenants.

6.01. (a) 2013 Improvement Bonds Debt Service Account. The Bonds will be payable from the debt service account for the Bonds (the “2013 Improvement Bonds Debt Service Account”) established as part of the City’s Debt Service Fund. The proceeds of the special assessments (the “Assessments”) levied or to be levied for the Improvements to be financed by the Bonds are hereby pledged to the 2013 Improvement Bonds Debt Service Account of the Debt Service Fund. If a payment of principal or interest on the Bonds becomes due when there is not sufficient money in the 2013 Improvement Bonds Debt Service Account to pay the same, the Finance Officer will pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for those advances out of the proceeds of the Assessments, when collected. There is appropriated to the 2013 Improvement Bonds Debt Service Account a pro rata portion of: (i) capitalized interest financed from Bond proceeds, if any, (ii) any amount over the minimum purchase price of the Bonds, if any, paid by the Purchaser, unless the Finance Officer elects to apply such amount to another purpose, and (iii) the accrued interest, if any, paid by the Purchaser upon closing and delivery of the Bonds.

(b) Bonds Project Fund. The proceeds of the Bonds, less the appropriations made in paragraph (a), together with any other funds appropriated for the Improvements and Assessments collected during the construction of the Improvements will be deposited in separate funds or accounts to be used solely to defray expenses of the Improvements including the payment of the principal of and interest on the Bonds prior to the completion and payment of all costs of any Improvement. Any balance remaining in any fund or account after completion of any Improvements may be used to pay the cost, in whole or in part, of any other local improvement undertaken by the City. When the Improvements are completed and the costs thereof paid, the funds and accounts are to be closed and subsequent collections of Assessments for the Improvements are to be deposited in the 2013 Improvement Bonds Debt Service Account.

6.02. City Covenants related to Bonds. It is hereby determined that the Improvements will directly and indirectly benefit abutting property, and the City hereby covenants with the holders from time to time of the Bonds as follows:

(a) The City has caused or will cause the Assessments for the Improvements to be promptly levied and will take all steps necessary to assure prompt collection, and the levy of the Assessments is hereby authorized. The City will cause to be taken with due diligence all further actions that are required for the construction of each Improvement financed wholly or partly from the proceeds of the Bonds, and will take all further actions necessary for the final and valid levy of the Assessments and the appropriation of any other funds needed to pay the Bonds and interest thereon when due.

(b) In the event of any current or anticipated deficiency in Assessments, the City will levy ad valorem taxes in the amount of the current or anticipated deficiency.

(c) The City will keep complete and accurate books and records showing receipts and disbursements in connection with the Improvements, Assessments levied therefor, and other funds appropriated for their payment, collections thereof, and disbursements therefrom, money on hand, and the balance of unpaid Assessments.

6.03. No Tax Levy. It is hereby determined that the estimated collections of Assessments and interest thereon for payment of principal and interest on the Bonds will produce at least five percent (5%) in excess of the amount needed to meet when due, the principal and interest payments on the Bonds and that no tax levy is needed at this time.

#### Section 7. Tax Covenants.

7.01. Tax-Exempt Bonds. No action shall be taken or authorized to be taken in connection with the application or investment of the proceeds of the Bonds which would cause the Bonds to be or become “private activity bonds” within the meaning of Section 141 of the Code and the applicable Treasury Regulations promulgated thereunder unless a “remedial action,” within the meaning of Treasury Regulations, Section 1.141-12, is available and is authorized to be taken for and on behalf of the City. The City shall take all such actions as may be required under the Code and applicable Treasury Regulations to ensure that interest on the Bonds is not includable in gross income for federal income tax purposes.

7.02. Not Arbitrage Bonds. The investments of the proceeds of the Bonds, including the investments of any revenues pledged to the Bonds which are considered proceeds under Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder, and accumulated sinking funds, if any, shall be limited as to amount and yield in such manner that the Bonds shall not be or become “arbitrage bonds” within the meaning of Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder. On the basis of the existing facts, estimates, and circumstances, including the foregoing findings and covenants, it is not expected that the proceeds of the Bonds will be used in such manner as to cause the Bonds to be or become “arbitrage bonds” within the meaning of Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder. The Finance Officer shall furnish a certificate to the Purchaser based on the foregoing certification at the time of delivery of the Bonds and the Finance Officer may make any election permitted under Section 148 or Section 150 of the Code on behalf of the City.

#### Section 8. Miscellaneous Matters Relating to Bonds.

8.01. Registration. The Executive Secretary is hereby authorized and directed to certify a copy of this Resolution and to cause the same to be filed with the Director of the Taxpayer Services Department of Hennepin County, exercising the powers of the County Auditor under Section 475.63 of the Municipal Debt Act, and to obtain a certificate as to registration of the Bonds.

8.02. Enforceability of Bonds. All agreements, covenants, and obligations of the City contained in this Resolution and in the above-referenced documents shall be deemed to be the agreements, covenants, and obligations of the City to the full extent authorized or permitted by

law, and all such agreements, covenants, and obligations shall be binding on the City and enforceable in accordance with their terms. No agreement, covenant, or obligation contained in this Resolution or in the above-referenced documents shall be deemed to be an agreement, covenant, or obligation of any member of the City Council or the Board, or of any officer, employee, or agent of the City in that person's individual capacity. Neither the members of the City Council, the members of the Board, nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

8.03. Rights Conferred. Nothing in this Resolution or in the above-referenced documents is intended or shall be construed to confer upon any person (other than as provided in the Bonds and the other agreements, instruments, and documents hereby approved) any right, remedy, or claim, legal or equitable, under and by reason of this Resolution or any provision of this Resolution.

8.04. Persons Authorized to Execute Documents. If for any reason the Finance Officer or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall for any reason cease to be an officer, employee, or agent of the City after the execution by such person of any certificate, instrument, or other written document, such fact shall not affect the validity or enforceability of such certificate, instrument, or other written document. If for any reason the Finance Officer or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall be unavailable to execute such certificates, instruments, or other written documents for any reason, such certificates, instruments, or other written documents may be executed by an acting or assistant to such officer, or by such other officer of the City as in the opinion of the City Attorney is authorized to sign such document.

8.05. Amendments. The authority to approve, execute, and deliver future amendments to the documents executed and delivered by the City in connection with the transactions contemplated by this Resolution is hereby delegated to the Finance Officer, subject to the following conditions: (a) such amendments do not require the consent of the holders of the Bonds or, if required, such consent has been obtained; (b) such amendments do not materially adversely affect the interests of the City as the issuer of the Bonds; (c) such amendments do not contravene or violate any policy of the City; (d) such amendments are acceptable in form and substance to the City Attorney, bond counsel, or other counsel retained by the City to review such amendments; (e) the City has received, if necessary, an opinion of bond counsel to the effect that the amendments will not adversely affect the tax-exempt character of interest on the Bonds (if the Bonds are then tax-exempt obligations); and (f) such amendments do not materially prejudice the interests of the owners of the Bonds. The authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Finance Officer shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the Finance Officer, any instrument authorized by this paragraph to be executed

and delivered by the Finance Officer may be executed by such other officer of the City as in the opinion of the City Attorney is authorized to execute and deliver such document.

8.06. Effective Date. This Resolution shall take effect and be in force from and after its approval.

Adopted: October 9, 2013.

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Carol Becker  
President  
Board of Estimate and Taxation

Attest:

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Jack A. Qvale  
Executive Secretary

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**EXHIBIT A**

**FORM OF BOND**

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF HENNEPIN

No. R-\_\_\_\_\_

\$\_\_\_\_\_

CITY OF MINNEAPOLIS

**GENERAL OBLIGATION IMPROVEMENT BONDS  
SERIES 2013**

<u>Interest Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
_____%	December 1, 20__	November_, 2013	60374Y_____

Registered Owner: Cede & Co.

Principal Amount: \_\_\_\_\_ DOLLARS

The City of Minneapolis, Minnesota, a duly organized and existing municipal corporation in Hennepin County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal amount stated above, on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable June 1 and December 1 in each year, commencing \_\_\_\_\_ 1, 201\_\_, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft of the Paying Agent designated under the Resolution described herein or its successor. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on December 1, 20\_\_, and on any day thereafter to prepay Bonds due on or after December 1, 20\_\_. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount

of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

This Bond is one of an issue in the aggregate principal amount of \$\_\_\_\_\_, all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the Board of Estimate and Taxation on October 9, 2013 (the "Resolution"), for the purpose of providing money to aid in financing the costs of various improvement projects pursuant to and in full conformity with the Charter of the City and the Constitution and laws of the State of Minnesota, including but not limited to Minnesota Statutes, Chapter 429, as amended, and Minnesota Statutes, Chapter 475, as amended. The principal hereof and interest hereon are payable primarily from special assessments against property specially benefited by local improvements financed with proceeds of the Bonds, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City has obligated itself to levy ad valorem taxes on all taxable property in the City in the event of any deficiency, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Bond Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee, or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Bond Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions, and things required by the Charter of the City and the Constitution and laws of the State of Minnesota to be done, to exist, to happen, and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened, and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional, statutory, or charter limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Bond Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Minneapolis, acting by and through its Board of Estimate and Taxation, has caused this Bond to be executed in its name and on its behalf by the facsimile or manual signature of the Finance Officer, countersigned by the manual or facsimile signature of the President of the Board of Estimate and Taxation, and its official seal to be affixed or imprinted hereon.

**CITY OF MINNEAPOLIS, MINNESOTA**

(SEAL)

By \_\_\_\_\_  
Finance Officer

Countersigned by \_\_\_\_\_  
President of Board of Estimate and Taxation

**Bond Registrar's Registration and Authentication Certificate**

This is one of the Bonds described in the within-mentioned Resolution and has been registered as to principal and interest in the name of the Registered Owner identified above on the registration books of the Finance Officer of the City of Minneapolis.

\_\_\_\_\_  
Finance Officer, as Bond Registrar

Dated: \_\_\_\_\_

## ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Please Print or Typewrite Name and Address of Transferee)  
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Please Insert Social Security Number or  
Other Identifying Number of Assignee.

\_\_\_\_\_  
Notice: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

\_\_\_\_\_  
Signatures must be guaranteed by a national bank or trust company, or by a brokerage firm which is a member of a major stock exchange.

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The secretary reviewed the requested to issue General Obligation Various Purpose Bonds and the supporting actions for each capital project:

- A. Overall status of requested bonds by project at the Board,
- B. Status of Bonds for projects for which the Board is issuing bonds in 2013,
- C. Status of Bonds for projects for which the Board is carrying forward to 2014 as authorized not yet issue.
- D. Proposed structure for the bonds to be issued in 2013.

After discussion on the above Fine moved the resolution ( below ) , seconded by Hodges. Following questions and discussion the motion was adopted. Yeas – 6. Nays – none. As follows; Yeas – Fine, Hodges, Johnson, Rybak, Wheeler, Becker - 6. Nays – none.

**AUTHORIZING THE SALE AND ISSUANCE OF GENERAL OBLIGATION VARIOUS PURPOSE BONDS, SERIES 2013, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$37,680,000; AND PROVIDING THE FORMS, TERMS, AND FINDINGS, COVENANTS, AND DIRECTIONS RELATING TO THE ISSUANCE OF SUCH OBLIGATIONS**

BE IT RESOLVED By the Board of Estimate and Taxation (the “Board”) of the City of Minneapolis, Minnesota (the “City”) as follows:

Section 1. Background and Authority.

1.01. Previous Board Action. Under the terms of a resolution adopted by the Board on the date hereof (the “Authorizing Resolution”), the Board determined to solicit proposals for the purchase of General Obligation Various Purpose Bonds, Series 2013 (the “Various Purpose Bonds”) of the City, in the original aggregate principal amount of \$37,680,000 in accordance with the Official Terms of Proposal on file with the Executive Secretary of the Board and incorporated into an Official Statement to be prepared and distributed with respect to the Various Purpose Bonds. The proceeds of the Various Purpose Bonds will be used to finance various municipal improvements in the City.

1.02. Authority. The City is authorized to issue the Various Purpose Bonds in accordance with the terms of the Minnesota Statutes, Chapter 475 (the “Municipal Debt Act”), Minnesota Statutes, Chapter 444, as amended, Minnesota Statutes, Chapter 429, as amended, Minnesota Statutes, Section 410.32 and 412.301, as amended, and the City Charter.

1.03 City Council’s Request. The City Council adopted resolutions referred to in the Authorizing Resolution which authorize the Board to incur indebtedness, issue, and sell the Various Purpose Bonds to finance various municipal improvements.

Section 2. Issuance of Bonds. In order to finance certain municipal improvement projects in the City, there is hereby authorized to be issued by the City the Various Purpose Bonds.

Section 3. Terms and Forms of Various Purpose Bonds.

3.01. Bond Terms. The Various Purpose Bonds are authorized to be issued in accordance with the terms of this Resolution. The Various Purpose Bonds shall be designated "General Obligation Various Purpose Bonds, Series 2013," shall be issued in one or more series as the Executive Secretary may determine, and shall be assigned a separate series designation determined by the Executive Secretary for each series issued by the City. Any series of Various Purpose Bonds may be designated such other name or names as determined to be appropriate by the Executive Secretary. The Various Purpose Bonds shall be dated the date of issue, or such other date as the Executive Secretary may determine, shall be issued in denominations of \$5,000 or any integral multiple thereof, and each series shall be numbered from R-1 upwards in order of issuance, or with such other numbering and in such other order as the Bond Registrar (as hereinafter defined) may determine. The Bonds shall be issued in the original aggregate principal amount of \$37,680,000, or such greater or lesser amount as the Executive Secretary shall determine to be necessary and appropriate to finance the designated municipal improvements and related costs. The Various Purpose Bonds shall bear interest at the rates per annum approved by the Executive Secretary in connection with the sale thereof, payable semiannually on June 1 and December 1 of each year, or such other dates determined by the Executive Secretary, commencing on June 1, 2014, or such other date determined by the Executive Secretary, from the date of the Various Purpose Bonds or the most recent interest payment date to which interest has been paid or duly provided for, computed on the basis of a 360-day year of twelve thirty-day months. The principal of the Various Purpose Bonds shall mature on such dates and in such principal amounts as shall be determined by the Executive Secretary, consistent with the requirements of Section 475.54, subdivisions 1 and 17 of the Municipal Debt Act (determined, if necessary, by combining such maturities with those of other obligations of the City). The Executive Secretary may determine to designate any portion of the principal of the Various Purpose Bonds to be combined into one or more term bonds subject to mandatory sinking fund redemptions in the years and amounts determined by the Executive Secretary. The authorization to issue the Various Purpose Bonds is effective without any additional action by the City Council or the Board and shall be undertaken by the Executive Secretary on such date or dates and upon the terms and conditions deemed reasonable by the Executive Secretary.

The Executive Secretary shall establish a date on and after which all Various Purpose Bonds shall be subject to redemption and prior payment in whole or in part at the option of the City. The redemption price of the Various Purpose Bonds shall be at such redemption prices, with or without premium, as the Executive Secretary shall determine necessary to obtain the lowest interest rates for the Various Purpose Bonds consistent with the finance plan pursuant to which the Various Purpose Bonds are to be issued.

Thirty (30) days prior to any redemption date, notice of any such redemption shall be given by mail to the banks where the Various Purpose Bonds are payable and to the registered owners, in accordance with the terms of the Municipal Debt Act. In the event of a partial redemption by lot of the Various Purpose Bonds, the Bond Registrar (as hereinafter defined) shall assign to each Various Purpose Bond then outstanding a distinctive number for each \$5,000 of the principal amount of such Various Purpose Bonds and shall select by lot in the manner it determines the order of numbers, at \$5,000 for each number, for all outstanding Various Purpose Bonds of the maturity to be redeemed. The order of selection of Various Purpose Bonds to be redeemed shall be the Various Purpose Bonds to which were assigned numbers so selected, but only so much of the principal amount of each Various Purpose Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. Upon partial redemption of any Various Purpose Bond, the same shall be surrendered in exchange for one or more new Various Purpose Bonds in authorized form for the unredeemed portion of principal. The method of selecting Various Purpose Bonds for optional redemption may be altered in such manner as the Executive Secretary shall determine to be necessary and appropriate in the interests of the City and the owners of the Various Purpose Bonds.

3.02. Method of Payment; Bond Registrar and Paying Agent. The Various Purpose Bonds shall be payable as to principal upon presentation and surrender thereof at the office of the Finance Officer, in Minneapolis, Minnesota, as the initial bond registrar (the "Bond Registrar") and paying agent (the "Paying Agent"), or at the offices of such other successor agents as the City may hereafter designate upon sixty (60) days mailed notice to the registered owners at their respective registered addresses. At the written request of the registered owner thereof, or at the direction of the Finance Officer, the payment of at least \$100,000 in principal amount of Various Purpose Bonds shall be made by wire transfer of immediately available funds to any bank in the continental United States upon presentation and surrender of such Various Purpose Bonds at the office of the Paying Agent. Interest shall be paid by check or draft mailed to the registered owners of record as of the fifteenth day (whether or not a business day) of the month next preceding the applicable interest payment date at their addresses shown on the registration books or, at the written request of a registered owner of at least \$1,000,000 in aggregate principal amount of Various Purpose Bonds or at the direction of the Finance Officer, by wire transfer of immediately available funds to any bank in the continental United States as the registered owner may specify.

3.03. Bond Form. The Various Purpose Bonds shall be in substantially the form set forth in EXHIBIT A attached hereto, with necessary variations as to name, series designation, number, CUSIP Number, denomination, rate of interest, and date of maturity, the blanks therein to be properly filled in, and with such other additions, deletions, or other changes as the Executive Secretary may determine.

3.04. Registration. As long as any of the Various Purpose Bonds issued hereunder shall remain outstanding, the City shall maintain and keep at the office of the Bond Registrar an office or agency for the payment of the principal of and interest on such Various Purpose Bonds, as in this Resolution provided, and for the registration and transfer of such Various Purpose Bonds, and shall also keep at said office of the Bond Registrar books for such registration and transfer. Upon surrender for transfer of any Various Purpose Bond at the office of a Bond Registrar with a

written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the registered owner's duly authorized attorney, and upon payment of any tax, fee, or other governmental charge required to be paid with respect to such transfer, the City shall execute and the Bond Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more fully registered Various Purpose Bonds of the same series, of any authorized denominations, and of a like aggregate principal amount, interest rate, and maturity. Any Various Purpose Bonds, upon surrender thereof at the office of the Bond Registrar may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Various Purpose Bonds of the same maturity and interest rate of any authorized denominations. In all cases in which the privilege of exchanging Various Purpose Bonds or transferring fully registered Various Purpose Bonds is exercised, the City shall execute and the Bond Registrar shall deliver Various Purpose Bonds in accordance with the provisions of this Resolution. For every such exchange or transfer of Various Purpose Bonds, whether temporary or definitive, the City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Resolution, the cost of preparing each new Various Purpose Bond upon each exchange or transfer, and any other expenses of the City or the Bond Registrar incurred in connection therewith (except any applicable tax, fee, or other governmental charge) shall be paid by the City. The City and the Bond Registrar shall not be required to make any transfer or exchange of any Various Purpose Bonds called for redemption, nor be obligated to make any such exchange or transfer of Various Purpose Bonds during the fifteen (15) days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of Various Purpose Bonds.

3.05. Record Dates. Interest on any Various Purpose Bond which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the person in whose name that Various Purpose Bond (or one or more Various Purpose Bonds for which such bond was exchanged) is registered at the close of business on the fifteenth day of the preceding month. Any interest on any Various Purpose Bond which is payable, but is not punctually paid or duly provided for, on any interest payment date shall cease to be payable to the registered holder on the relevant regular record date solely by virtue of such holder having been such holder; and such defaulted interest may be paid by the City in any lawful manner if, after notice given by the City to the Bond Registrar of the proposed payment pursuant to this paragraph, such payment shall be deemed practicable by the Bond Registrar. Such payments shall then be made to the persons in whose names the Various Purpose Bonds are registered at the close of business on a special record date established by the Bond Registrar. Subject to the foregoing provisions of this paragraph, each Various Purpose Bond delivered under this Resolution upon transfer of or in exchange for or in lieu of any other Various Purpose Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Various Purpose Bond and each such Various Purpose Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange, or substitution.



3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Various Purpose Bond shall become mutilated or be destroyed, stolen, or lost, the City shall execute and the Bond Registrar shall authenticate and deliver a new Various Purpose Bond of like maturity and principal amount as the Various Purpose Bond so mutilated, destroyed, stolen, or lost in exchange and substitution for such mutilated Various Purpose Bond, upon surrender and cancellation of such mutilated Various Purpose Bond, or in lieu of and substitution for the Various Purpose Bond destroyed, stolen, or lost upon filing with the City evidence satisfactory to the City and the Bond Registrar that such Various Purpose Bond has been destroyed, stolen, or lost and proof of ownership thereof, and upon furnishing the City and the Bond Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the City and the Bond Registrar may prescribe and paying such expenses as the City and the Bond Registrar may incur in connection therewith. All Various Purpose Bonds so surrendered to the Bond Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City.

3.07. Owners. As to any Various Purpose Bond, the City and the Bond Registrar and their respective successors, each in its discretion, may deem and treat the person in whose name such Various Purpose Bond for the time being shall be registered as the absolute owner thereof for all purposes and neither the City nor the Bond Registrar nor their respective successors shall be affected by any notice to the contrary. Payment of or on account of the principal of any such Various Purpose Bond shall be made only to or upon the order of the registered owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Various Purpose Bond to the extent of the sum or sums so paid.

3.08. Use of Securities Depository; Book-Entry Only System. The provisions of this Section shall take precedence over the provisions of Sections 3.01 through 3.07 hereof to the extent they are inconsistent therewith.

**(a) The Depository Trust Company (“DTC”) has agreed to act as securities depository for the Various Purpose Bonds, and to provide a Book-Entry Only System for registering the ownership interests of the financial institutions for which it holds the Various Purpose Bonds (the “DTC Participants”), and for distributing to such DTC Participants such amount of the principal and interest payments on the Various Purpose Bonds as they are entitled to receive for redistribution to the beneficial owners of the Various Purpose Bonds as reflected in their records (the “Beneficial Owners”).**

(b) Initially, and so long as DTC or another qualified entity continues to act as securities depository, the Various Purpose Bonds shall be issued in typewritten form, one for each maturity in a principal amount equal to the aggregate principal amount of each maturity, shall be registered in the name of the securities depository or its nominee, and shall be subject to the provisions of this Section 3.08. While DTC is acting as the securities depository, the Various Purpose Bonds shall be registered in the name of DTC’s nominee, CEDE & CO; provided that upon delivery by DTC to the City and the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words “CEDE & CO.” in this Resolution shall refer to such new nominee of DTC.

With respect to Various Purpose Bonds registered in the name of DTC or its nominee, the City and the Bond Registrar shall have no responsibility or obligation to any DTC Participant or other person with respect to the following: (i) the accuracy of the records of any securities depository or its nominee with respect to any ownership interest in the Various Purpose Bonds; (ii) the delivery to any DTC Participant or other person or any other person, other than DTC, of any notice with respect to the Various Purpose Bonds, including any notice of redemption; or (iii) the payment to any DTC Participant or any other person, other than DTC, of any amount with respect to the principal of or interest on the Various Purpose Bonds. The Bond Registrar shall pay all principal of and interest on the Various Purpose Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal and interest on the Various Purpose Bonds to the extent of the sum or sums so paid. So long as the Book-Entry Only System described in this Section 3.08 is in effect, no person other than DTC shall receive an authenticated Various Purpose Bond.

(c) Upon receipt by the City and the Bond Registrar of written notice from DTC or any other securities depository to the effect that it is unable or unwilling to discharge its responsibilities under the Book-Entry Only System, the Bond Registrar shall issue, transfer, and exchange Various Purpose Bonds of the initial series as requested by the securities depository in appropriate amounts, and whenever the securities depository requests the City and the Bond Registrar to do so, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice: (i) to arrange for a substitute depository willing and able, upon reasonable and customary terms, to maintain custody of the Various Purpose Bonds; or (ii) to make available Various Purpose Bonds registered in whatever name or names the Beneficial Owner registering ownership, transferring, or exchanging such Various Purpose Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(d) In the event the City determines that it is in the best interests of the Beneficial Owners that they be able to obtain printed Various Purpose Bonds, the City may so notify the securities depository and the Bond Registrar, whereupon the securities depository shall notify the Beneficial Owners of the availability through the securities depository of such printed Various Purpose Bonds. In such event, the City shall cause to be prepared and the Bond Registrar shall issue, transfer, and exchange printed Various Purpose Bonds, fully executed and authenticated, as requested by the securities depository in appropriate amounts and, whenever the securities depository requests, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice to make available printed Various Purpose Bonds registered on the Bond Register in whatever name or names the Beneficial Owners entitled to receive Various Purpose Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(e) Notwithstanding any other provisions of this Resolution to the contrary, so long as any Various Purpose Bond is registered in the name of a securities depository or its nominee, all payments of principal and interest on the Various Purpose Bond and all notices with respect to the Various Purpose Bond shall be made and given, respectively, to the securities depository as provided in the representation letter given to it by the City. The Blanket Letter of

Representations from the City to the Depository Trust Company is confirmed and shall apply to the Various Purpose Bonds.

(f) In the event that the Book-Entry Only System established pursuant to this Section 3.08 is discontinued, except as provided in clause (g), the Various Purpose Bonds shall be issued through the securities depository to the Beneficial Owners.

(g) In the event of termination of the Book-Entry Only System, the City shall have the right to terminate, and shall take all steps necessary to terminate, all arrangements with the securities depository described herein, and thereafter shall issue, register ownership of, transfer, and exchange all Various Purpose Bonds as provided herein. Upon receipt by the securities depository of notice from the City, the securities depository shall take all actions necessary to assist the City and the Bond Registrar in terminating all arrangements for the issuance of documents evidencing ownership interests in the Various Purpose Bonds through the securities depository. Nothing herein shall affect the securities depository's rights under clause (e) above.

Section 4. Sale, Execution, and Delivery of Various Purpose Bonds and Related Documents.

4.01. Method of Sale. Authority to negotiate the sale and issuance of the Various Purpose Bonds is hereby delegated to the Executive Secretary, in consultation with the Finance Officer of the City, under Section 475.60, subdivision 1, of the Municipal Debt Act; provided that each series of Various Purpose Bonds shall be sold only at a price of not less than one hundred percent (100%) of the principal amount of such series of Various Purpose Bonds, and the Various Purpose Bonds shall bear interest at the rates specified by the successful proposal. In connection with the sale of the Various Purpose Bonds, by one or more certificates or other written instruments or documents, the Finance Officer may make such additional covenants or directions as he may deem necessary and expedient, including but not limited to, approval of an Official Statement and of a Continuing Disclosure Certificate. Any original issue premium not applied to the payment of issuance costs shall be deposited in the Various Purpose Fund Debt Service Account (as established in Section 5.01 hereof) or applied to such other purposes as determined to be appropriate by the Finance Officer.

4.02. Execution and Delivery. The Various Purpose Bonds shall be executed by the manual or facsimile signature of the Finance Officer, the manual or facsimile signature of the president of the Board, and a facsimile of the corporate seal of the City shall be included as set forth in the form of Various Purpose Bond. The text of the approving legal opinion of Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as bond counsel, may be printed on or accompany the delivery of each Various Purpose Bond. When the Various Purpose Bonds have been duly executed and authenticated by the Bond Registrar in accordance with this Resolution, the Various Purpose Bonds shall be delivered to the purchasers (the "Purchasers") in accordance with the terms of the sale upon payment of the purchase price, and the receipt of the Finance Officer to said Purchasers thereof shall be a full acquittance; and said Purchasers shall not be bound to see to the application of the purchase money. The Various Purpose Bonds shall not be valid for any purpose until authenticated by the Bond Registrar, who is hereby appointed authenticating agent in accordance with the Municipal Debt Act.

4.03. Official Statement. The Executive Secretary shall cause an Official Statement relating to the Various Purpose Bonds and any appropriate addendums to such Official Statement to be prepared (collectively, the “Official Statement”), and the use thereof by the Purchasers is approved.

4.04. Certificates. If such officer finds the same to be accurate, the Finance Officer is authorized and directed to furnish to the Purchasers at the closing: (i) a certificate that, to the knowledge of such officer, the Official Statement does not, at the date of closing, and did not, as of its date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (ii) such other certificates as are required as a condition of sale, including a Continuing Disclosure Certificate setting forth the continuing disclosure obligations of the City under applicable law, as approved by the Finance Officer. Unless litigation shall have been commenced and be pending questioning the Various Purpose Bonds or the organization of the City or incumbency of its officers, at the closing the Finance Officer shall also execute and deliver to the Purchasers a suitable certificate as to absence of material litigation, and the Finance Officer shall also execute and deliver a certificate as to payment for and delivery of the Various Purpose Bonds. The Finance Officer shall also execute and deliver an arbitrage certificate meeting the requirements of the arbitrage regulations under Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”) and shall deliver the signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the Various Purpose Bonds and the exemption of interest thereon from federal and Minnesota income taxation (other than Minnesota corporate franchise and bank excise taxes measured by income) under present laws and rulings.

Section 5. Payment; Security; Pledges and Covenants.

5.01. Various Purpose Bonds Debt Service Account. The Various Purpose Bonds will be payable from the debt service account for the Various Purpose Bonds (the “Various Purpose Bonds Debt Service Account”) established as part of the City’s Debt Service Fund and the following are hereby pledged to the Various Purpose Bonds Debt Service Account: (a) special assessments against property specially benefited by local improvements financed with proceeds of the Various Purpose Bonds; (b) net revenues derived from the operation of the City’s sewer system and parking system financed with proceeds of the Various Purpose Bonds; (c) certain sales tax revenues; and (d) the proceeds of ad valorem taxes levied herein. If a payment of principal or interest on the Various Purpose Bonds becomes due when there is not sufficient money in the Various Purpose Bonds Debt Service Account to pay the same, the Finance Officer will pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for those advances out of the proceeds of the assessments, revenues, or proceeds of the taxes levied by this resolution, when collected. There is appropriated to the Various Purpose Bonds Debt Service Account a pro rata portion of: (i) interest to be financed with proceeds of the Various Purpose Bonds, if any, (ii) any amount over the minimum purchase price of the Various Purpose Bonds, if any, paid by the Purchasers, and (iii) the accrued interest, if any, paid by the Purchasers upon closing and delivery of the Various Purpose Bonds.

5.02. Deposit to Funds and Accounts. The proceeds of the Various Purpose Bonds, less the appropriations made in Section 5.01, together with any other funds appropriated for the improvements and assessments collected during the construction of the municipal improvements will be deposited in separate funds or accounts to be used solely to defray expenses of the municipal improvements including the payment of principal and interest on the Various Purpose Bonds prior to the completion and payment of all costs of any municipal improvement. Any balance remaining in any fund or account after completion of any municipal improvements may be used to pay the cost, in whole or in part, of any other local improvement undertaken by the City. When the municipal improvements are completed and the costs thereof paid, the funds and accounts are to be closed and subsequent collections of assessments for the improvements are to be deposited in the Various Purpose Bonds Debt Service Account.

5.03. Ad Valorem Tax Levy. For the purpose of paying the principal of and interest on the Various Purpose Bonds, the Finance Officer is hereby authorized to levy a direct annual irrepealable ad valorem tax upon all of the taxable property in the City, to be spread upon the tax rolls and collected with and as part of other general taxes of the City to the extent the Finance Officer determines such levy is necessary to pay the principal of and interest on the Various Purpose Bonds when due. Any tax levy so imposed will be irrepealable until the Various Purpose Bonds are paid, provided that the Finance Officer may reduce the tax levy in accordance with the provisions of Section 475.61 of the Municipal Debt Act. The tax revenues derived from the levy of such ad valorem taxes will be credited to the Various Purpose Bonds Debt Service Account.

5.04. Adequacy of Revenues. It is determined that the estimated collection of the foregoing taxes, together with the special assessments, net revenues derived from the operation of the City's sewer system and parking system, and certain sales tax revenues described in Section 5.01, will produce at least five percent (5%) in excess of the amount needed to meet when due, the principal and interest payments on the Various Purpose Bonds. If necessary, however, the City shall levy a direct tax on all taxable property in the City, without limitation as to rate or amount, to pay such principal and interest when due.

## Section 6. Tax Covenants.

6.01. Tax-Exempt Bonds. No action shall be taken or authorized to be taken in connection with the application or investment of the proceeds of the Various Purpose Bonds which would cause the Various Purpose Bonds to be or become "private activity bonds" within the meaning of Section 141 of the Code and the applicable Treasury Regulations promulgated thereunder, unless a "remedial action," within the meaning of Treasury Regulations, Section 1.141-12, is available and is authorized to be taken for and on behalf of the City. The City shall take all such actions as may be required under the Code and applicable Treasury Regulations to ensure that interest on the Various Purpose Bonds is not includable in gross income for federal income tax purposes.

6.02. Not Arbitrage Bonds. The investments of the proceeds of the Various Purpose Bonds, including the investments of any revenues pledged to the Various Purpose Bonds which are considered proceeds under Section 148 of the Code and the applicable Treasury Regulations

promulgated thereunder, and accumulated sinking funds, if any, shall be limited as to amount and yield in such manner that the Various Purpose Bonds shall not be or become “arbitrage bonds” within the meaning of Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder. On the basis of the existing facts, estimates, and circumstances, including the foregoing findings and covenants, it is not expected that the proceeds of the Various Purpose Bonds will be used in such manner as to cause the Various Purpose Bonds to be or become “arbitrage bonds” within the meaning of Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder. The Finance Officer shall furnish a certificate to the Purchasers embracing or based on the foregoing certification at the time of delivery of the Various Purpose Bonds and the Finance Officer may make any election permitted under Section 148 or Section 150 of the Code on behalf of the City.

Section 7.     Miscellaneous Matters Relating to Various Purpose Bonds.

7.01.   Registration. The Executive Secretary is hereby authorized and directed to certify a copy of this Resolution and to cause the same to be filed with the Director of the Taxpayer Services Department of Hennepin County, exercising the powers of the County Auditor under Section 475.63 of the Municipal Debt Act, and to obtain a certificate as to registration of the Various Purpose Bonds.

7.02.   Enforceability of Various Purpose Bonds. All agreements, covenants, and obligations of the City contained in this Resolution and in the above-referenced documents shall be deemed to be the agreements, covenants, and obligations of the City to the full extent authorized or permitted by law, and all such agreements, covenants, and obligations shall be binding on the City and enforceable in accordance with their terms. No agreement, covenant, or obligation contained in this Resolution or in the above-referenced documents shall be deemed to be an agreement, covenant, or obligation of any member of the City Council or the Board, or of any officer, employee, or agent of the City in that person’s individual capacity. Neither the members of the City Council, the Board, nor any officer executing the Various Purpose Bonds shall be liable personally on the Various Purpose Bonds or be subject to any personal liability or accountability by reason of the issuance of the Various Purpose Bonds.

7.03.   Rights Conferred. Nothing in this Resolution or in the above-referenced documents is intended or shall be constructed to confer upon any person (other than as provided in the Various Purpose Bonds and the other agreements, instruments, and documents hereby approved) any right, remedy, or claim, legal or equitable, under and by reason of this Resolution or any provision of this Resolution.

7.04.   Persons Authorized to Execute Documents. If for any reason the Finance Officer or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall for any reason cease to be an officer, employee, or agent of the City after the execution by such person of any certificate, instrument, or other written document, such fact shall not affect the validity or enforceability of such certificate, instrument, or other written document. If for any reason the Finance Officer or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall be unavailable to execute

such certificates, instruments, or other written documents for any reason, such certificates, instruments, or other written documents may be executed by an acting or assistant to such officer, or by such other officer of the City as in the opinion of the City Attorney is authorized to sign such document.

7.05. Amendments. The authority to approve, execute, and deliver future amendments to the documents executed and delivered by the City in connection with the transactions contemplated by this Resolution is hereby delegated to the Finance Officer, subject to the following conditions: (a) such amendments do not require the consent of the holders of the Various Purpose Bonds or, if required, such consent has been obtained; (b) such amendments do not materially adversely affect the interests of the City as the issuer of the Various Purpose Bonds; (c) such amendments do not contravene or violate any policy of the City; (d) such amendments are acceptable in form and substance to the City Attorney, bond counsel, or other counsel retained by the City to review such amendments; (e) the City has received, if necessary, an opinion of bond counsel to the effect that the amendments will not adversely affect the tax-exempt character of interest on the Various Purpose Bonds (if the Various Purpose Bonds are then tax-exempt obligations); and (f) such amendments do not materially prejudice the interests of the owners of the Various Purpose Bonds. The authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Finance Officer shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the Finance Officer, any instrument authorized by this paragraph to be executed and delivered by the Finance Officer may be executed by such other officer of the City as in the opinion of the City Attorney is authorized to execute and deliver such document.

7.06. Effective Date. This Resolution shall take effect and be in force from and after its approval.

Adopted: October 9, 2013.

---

Carol Becker  
President  
Board of Estimate and Taxation

Attest:

---

Jack A. Qvale  
Executive Secretary

(Form of Various Purpose Bonds)

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF HENNEPIN

No. R-\_\_\_\_\_

\$\_\_\_\_\_

CITY OF MINNEAPOLIS

**GENERAL OBLIGATION VARIOUS PURPOSE BONDS  
SERIES 2013**

<u>Interest Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
____%	December 1, 20__	December_, 2013	60374Y ____

Registered Owner: Cede & Co.

Principal Amount: \_\_\_\_\_ DOLLARS

The City of Minneapolis, Minnesota, a duly organized and existing municipal corporation in Hennepin County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal amount stated above, on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable \_\_\_\_\_ 1 and \_\_\_\_\_ 1 in each year, commencing \_\_\_\_\_ 1, 20\_\_, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft of the Paying Agent designated under the Resolution described herein or its successor. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on \_\_\_\_\_, 20\_\_, and on any day thereafter to prepay Bonds due on or after \_\_\_\_\_, 20\_\_. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then



select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

This Bond is one of an issue in the aggregate principal amount of \$\_\_\_\_\_, all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the Board of Estimate and Taxation on October 9, 2013 (the "Resolution"), for the purpose of providing money to aid in financing the costs of various improvement projects pursuant to and in full conformity with the Charter of the City and the Constitution and laws of the State of Minnesota, including, but not limited to Minnesota Statutes, Chapter 429, as amended, and Minnesota Statutes, Chapter 444, as amended. The principal hereof and interest hereon are payable primarily from special assessments against property specially benefited by local improvements financed with proceeds of the Bonds, net revenues from the operation of the City's sewer system and parking system financed with proceeds of the Bonds, certain sales tax revenues, and ad valorem taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City has obligated itself to levy ad valorem taxes on all taxable property in the City in the event of any deficiency, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee, or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED, AND AGREED that all acts, conditions, and things required by the Charter of the City and the Constitution and laws of the State of Minnesota to be done, to exist, to happen, and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms have been done, do exist, have happened, and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional, statutory, or charter limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Minneapolis, acting by and through its Board of Estimate and Taxation, has caused this Bond to be executed in its name and on its behalf by the facsimile or manual signature of the Finance Officer, Countersigned by the manual or facsimile signature of the President of the Board of Estimate and Taxation, and its official seal to be affixed or imprinted hereon.

**CITY OF MINNEAPOLIS, MINNESOTA**

(SEAL)

By \_\_\_\_\_  
Finance Officer

Countersigned by \_\_\_\_\_  
President of Board of Estimate and Taxation

(The remainder of this page is intentionally left blank)

### **Registrar's Registration and Authentication Certificate**

This is one of the Bonds described in the within mentioned Bond Resolution and has been registered as to principal and interest in the name of the Registered Owner identified above on the registration books of the Finance Officer of the City of Minneapolis.

---

Finance Officer, as Registrar

Dated: \_\_\_\_\_

(The remainder of this page is intentionally left blank.)

## ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Please Print or Typewrite Name and Address of Transferee)  
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Please Insert Social Security Number or  
Other Identifying Number of Assignee.

\_\_\_\_\_  
Notice: The signature to this assignment must  
correspond with the name as it appears on the  
face of this Bond in every particular, without  
alteration or any change whatever.

Signature Guaranteed:

\_\_\_\_\_  
Signatures must be guaranteed by a national  
bank or trust company, or by a brokerage  
firm which is a member of a major stock  
exchange.

(The remainder of this page is intentionally left blank.)

After discussion on the above Fine moved the resolution ( below ) , seconded by Hodges. Following questions and discussion the motion was adopted. Yeas – 6. Nays – none. As follows; Yeas – Fine, Hodges, Johnson, Rybak, Wheeler, Becker - 6. Nays – none.

**Relating to and providing for the issuance and sale of bonds of the City of Minneapolis in the amount of \$37,680,000.**

**RESOLVED BY THE BOARD OF ESTIMATE AND TAXATION**

***OF THE CITY OF MINNEAPOLIS***

**1. Under and pursuant to the provisions of Sections 9 and 10 of Chapter 15 [Board of Estimate and Taxation] of the Charter of the City of Minneapolis, adopted at an election held on November 2, 1920, as amended (the “Charter”), the Board of Estimate and Taxation of the City of Minneapolis (the “Board”) shall proceed forthwith to issue and sell General Obligation Various Purpose Bonds, Series 2013 (the “Various Purpose Bonds”), of the City of Minneapolis (the “City”), in the original aggregate principal amount of \$37,680,000, the proceeds thereof to be applied to the following purposes and in the following respective amounts:**

(a) \$7,050,000 pursuant to Resolution No. 2011R-664 (\$5,050,000) and Resolution No. 2012R-659 (\$2,000,000) of the City Council of the City, the proceeds thereof to be used for the Infiltration and Inflow Removal Program and Sanitary Tunnel Sewer Rehabilitation, including: (i) SA1236 Infiltration and Inflow Removal 2012 Program (\$1,550,000); (ii) SA1201 Sanitary Tunnel Sewer Rehabilitation 2012 Program (\$3,500,000); and (iii) SA1301 Sanitary Tunnel Sewer Rehabilitation 2013 Program (\$2,000,000);

(b) \$2,655,000 pursuant to Resolution No. 2011R-665 (\$1,700,000) and Resolution No. 2012R-659 (\$955,000) of the City Council of the City, the proceeds thereof to be used for parking system improvements as follows: Convention Center Related Facilities (\$250,000); Leamington Ramp light replacement (\$800,000); Plaza Ramp way finding and elevator work (\$600,000); 11<sup>th</sup> and Marquette Ramp Phase II Elevator Modernization (\$300,000) from Resolution No. 2011R-665; Convention Center Related Facilities, and 11<sup>th</sup> and Marquette Ramp Phase II Elevator Modernization (\$200,000) from Resolution No. 2012R-659; and for Non-Convention Center Related Facilities Federal Courts Ramp (\$505,000);

(c) \$2,800,000 pursuant to Resolution No. 2013R-186 of the City Council of the City and Resolution No. 2013-124 of the Minneapolis Park & Recreation Board, the proceeds thereof to be used by the Park Board for the rehabilitation of the Parade Ice Garden and energy upgrades at other facilities in the park system;

(d) \$25,175,000 of net debt bonds to be used for the following authorized purposes:

(1) Various public infrastructure improvements pursuant to Resolution No. 2004R-583 (\$1,512,000), the proceeds thereof to be used for the following authorized purposes: BR110 St Anthony Parkway Bridge 2005 Program.

(2) Various public infrastructure improvements pursuant to Resolution No. 2007R-648, as amended (\$45,000), the proceeds thereof to be used for the following authorized purposes: PV008 I – 35W & Lake Street Interchange Reconstruction.

(3) Various public infrastructure improvements pursuant to Resolution No. 2008R-547, as amended (\$50,000), the proceeds thereof to be used for the following authorized purposes: BIK923 Bike Boulevard Pilot 2009 Program.

(4) Various public infrastructure improvements pursuant to Resolution No. 2009R-590, as amended (\$225,000), the proceeds thereof to be used for the following authorized purpose: (i) PSD Energy Conservation & Emissions Reduction 2010 Program (\$225,000).

(5) Various public infrastructure improvements pursuant to Resolution No. 2010R-602, as amended (\$1,751,000) the proceeds thereof to be used for the following authorized purposes:

Purpose	Remaining Authorized Amount	Deferred	Issue in 2013
ART1101 Art in Public Places 2011 Program	139,000	0	139,000
BR1110 Northtown Rail Yard Bridge	2,535,000	2,535,000	0
PSD1101 Facilities & Repair 2011 Program	200,000	0	200,000
PSD1111 Energy Conser & Emissions Reductions 2011 Program	250,000	75,000	175,000
PRK1103 Rehab Shelter Bldg & Webber Pool Improvements 2011 Program	2,000,000	1,100,000	900,000
PV1121 33 <sup>rd</sup> Av SE & Talmage Av 2011 Program	230,000	0	230,000

Purpose	Remaining Authorized Amount	Deferred	Issue in 2013
PV1126 Franklin/Cedar/Minnehaha 2011 Program	52,000	0	52,000
TR1122 Traffic Safety Improvements 2011 Program	55,000	0	55,000

(6) Various public infrastructure improvements pursuant to Resolution

No. 2011R-663 as amended (\$4,430,000) the proceeds thereof to be used for the following authorized purposes:

Purpose	Remaining Authorized Amount	Deferred	Issue in 2013
ART12 Art in Public Places 2013 Program	346,000	118,000	228,000
BK1225 Bluff St Bike Trail 2013 Program	800,000	800,000	0
MBC1204 MBC Elevators 2013 Program	181,000	0	181,000
MBC1206 Clock Tower Upgrade 2012 Program	36,000	0	36,000
CTY1202 City Property Reforestation 2012 Program	150,000	150,000	0
PS12E11 Energy Conser & Emissions Reductions Prog 2012	500,000	500,000	0
PS1201 Facilities Repair & Improvements 2012 Program	575,000	0	575,000
PS1203 Facilities Space Improvements 2012 Program	500,000	0	500,000
PRK1201 Neighborhood Parks 2012 Program	500,000	200,000	300,000
PRK12CP Recreation Center & Site Imp 2012 Program	2,000,000	1,200,000	800,000
PV1201 Parkway Paving 2012 Program	250,000	0	250,000
PV1221 33rd Av SE & Talmage Av 2012 Project	125,000	0	125,000
PV1256 Asphalt Pavement Resurfacing Program 2012	751,000	751,000	0
PV1261 High Volume Corridor Reconditioning Program 2012	485,000	485,000	0
PV1274 CSAH & MnDOT Coop Project 2012	600,000	350,000	250,000

Purpose	Remaining Authorized Amount	Deferred	Issue in 2013
PV1275 Development Infrastructure 2012 Program	500,000	500,000	0
CDA1201 Van White Blvd Bridge & Roadway 2012R-007	500,000	0	500,0000
PV1279 Pavement Matce Equipment 2012 Project	175,000	0	175,000
TR1222 Traffic Safety Improvements Program 2012	575,000	275,000	300,000
TR1210 Traffic Mgmt. System Program 2012	25,000	0	25,0000
TR1221 Traffic Signals Program 2012	185,000	0	185,000

(7) Various public infrastructure improvements pursuant to Resolution

No. 2012R-658, as amended (17,162,000) the proceeds thereof to be used for the following authorized purposes:

Purpose	Remaining Authorized Amount	Deferred	Issue in 2013
MBC1301 MBC Life Safety Improvements 2013 Program	340,000	240,000	100,000
MBC1302 Mechanical Systems Upgrade 2013 Program	675,000	425,000	250,000
MBC1306 Clock Tower Upgrade 2013 Program	839,000	725,000	114,000
1331101 311 System Refresh 2013 Program	235,000	0	235,000
1391101 911 Telephone System Replacement 2013 Program	100,000	45,000	55,000
PSD1303 Facilities Space Improvements 2013 Program	1,000,000	640,000	360,000
PSD1312 Pioneers & Soldiers Cemetery Fencing Phase II 2013	250,000	0	250,000
IT1304 Enterprise Infrastrucure Modernization 2013 Program	250,000	125,000	125,000
IT1333 Police Reporting Mgmt System Upgrade 2013 Program	350,000	0	350,000
IT1334 Minneapolis Information Commons 2013 Program	200,000	0	200,000
PBK1301 Recreation Center & Site Imp 2013 Program	100,000	0	100,000
PBK1302 Playground & Site Improvement 2013 Program	775,000	625,000	150,000



Purpose	Remaining Authorized Amount	Deferred	Issue in 2013
PBK1303 Shelter - Pool - Site Improvements 2013 Program	1,500,000	900,000	600,000
PBK1304 Athletic Fields & Site Improvements 2013 Program	225,000	0	225,000
PBK1330 Community Service Area Improvements 2013 Program	500,000	150,000	350,000
PBK1332 Northeast Park Building Improvements 2013 Program	1,900,000	1,600,000	300,000
PV13001 Parkway Paving 2013 Program	580,000	250,000	330,000
PV13006 Alley Renovation 2013 Program	120,000	30,000	90,000
PV13038 Winter St NE Residential/Commercial 2013	2,455,000	455,000	2,000,000
PV013059 Major Pavement Mtce 2013 Program	50,000	0	50,000
PV013061 High Volume Corridor Reconditioning Program 203	3,036,000	500,000	2,536,000
PV013063 Unpaved Alley Construction 2013 Program	150,000	0	150,000
PV013069 Penn Ave S 50th to Crosstown 2013	5,105,000	2,383,000	2,722,000
PV013081 46th St W Dupont to Lyndale Ave S 2013	1,960,000	0	1,960,000
PV013082 31st St E Minnehaha to 28th Ave S 2013	580,000	0	580,000
SWJK13101 Defective Hazardous Sidewalks 2013 Program	285,000	0	285,000
BR13114 Major Bridge Repair & Rehab 2013 Program	400,000	0	400,000
BR13128 Midtown Corridor Bridge Preservation 2013 Program	895,000	0	895,000
BR13128 3rd Ave S Bridge Gateway Project	50,000	0	50,000
TR13008 Parkway Street Lighting Replacement 2013 Program	150,000	0	150,000
TR13021 Traffic Signals 21013 Program	2,300,000	1,100,000	1,200,000

2. Costs of issuance with respect to the Various Purpose Bonds are to be paid first from any premium received on the bond sale with any remaining costs to be prorated and paid from the following funds: (i) Sewer Fund; (ii) Parking Fund; (iii) Park Board; and (iv) Bond Redemption Fund. Board staff is authorized to use a financial advisor firm designated by the Finance Officer of the City for sale administration and American Financial Printing, Inc. to produce the Official Statement and related electronic documents.

3. The Various Purpose Bonds shall mature on December 1 in the years and amounts as follows:

<u>Maturity (December 1)</u>	<u>Principal Amount*</u>
2014	20,330,000
2015	6,250,000
2016	3,000,000
2017	2,300,000
2018	1,500,000
2019	1,500,000
2020	2,800,000

\* subject to adjustment

4. For internal structuring purposes, the Various Purpose Bonds shall mature on December 1 in the years and amounts set forth in EXHIBIT A attached hereto:

5. Staff to the Board will consider competitive proposals for the sale of the Various Purpose Bonds on Tuesday, November 19, 2013, at 10:00 a.m. The terms of the sale shall be as set forth in the Official Terms of Proposal on file with the Executive Secretary. The Executive Secretary shall prepare and distribute an Official Statement and take such other action as may be necessary and appropriate to conduct the sale. The Executive Secretary is authorized to make adjustments in the sale structure, terms, and conditions to include the par amount of the issue based on factors that arise including the size of premium received, if any, and other market factors after consulting with Bond Counsel.

Adopted: October 9, 2013.

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Carol Becker  
President  
Board of Estimate and Taxation

Attest:

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Jack A. Qvale  
Executive Secretary

**EXHIBIT A**

	<b>Totals</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Paving	<b>\$11,545,000</b>	\$3,295,000	\$4,750,000	\$2,000,000	\$1,500,000			
Traffic	<b>1,765,000</b>	1,765,000						
Sidewalks	<b>285,000</b>	285,000						
Lighting	<b>150,000</b>	150,000						
Bike	<b>50,000</b>	50,000						
Bridges	<b>3,357,000</b>	3,357,000						
Property Services (Public Bldgs.)	<b>2,285,000</b>	2,285,000						
Information Technology	<b>675,000</b>	675,000						
311 System refresh	<b>235,000</b>	235,000						
911 Telephone replacement	<b>55,000</b>	55,000						
Arts in Public Places	<b>367,000</b>	367,000						
MBC (Municipal Bldg.)	<b>681,000</b>	681,000						
Park Board	<b>3,725,000</b>	3,725,000						
<b>Sub Total</b>	<b>\$25,175,000</b>	<b>\$16,925,000</b>	<b>\$4,750,000</b>	<b>\$2,000,000</b>	<b>\$1,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Convention Center Related Facilities	<b>2,150,000</b>	\$2,150,000						
Non Convention Center Related Facilities	<b>505,000</b>	5,000	\$500,000					
<b>Parking Fund 7500</b>	<b>\$2,655,000</b>	<b>\$2,155,000</b>	<b>\$500,000</b>					
<b>Sanitary Sewer Fund 7100</b>	<b>\$7,050,000</b>	<b>\$1,250,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$800,000</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	
<b>Park Board Enterprise Fund Supported</b>	<b>\$2,800,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,800,000</b>
<b>Total Various Purpose 2013 Series</b>	<b>\$37,680,000</b>	<b>\$20,330,000</b>	<b>\$6,250,000</b>	<b>\$3,000,000</b>	<b>\$2,300,000</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	<b>\$2,800,000</b>

Direction to staff given at this time: Staff to prepare the required resolutions for the September 11, 2013 meeting based on the Mayor's proposed budget for 2014.

Becker moved to adjourn; seconded by Fine.  
The meeting was adjourned at 4:40 p.m.